

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Latvia

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Livestock and Products Report.

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Livestock and Products

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Report Highlights:

In 2014 swine inventories decreased by 5 percent due to reduced prices and export restrictions of pork caused by outbreaks of African Swine Fever (ASF). The outbreak of ASF and continuation of Russian import ban in 2015 are the major factors adversely affecting the Latvian swine production later in 2015 and in 2016. Production of pork in 2015 is expected to decrease by 7 percent as a result of lower swine inventories. Cattle inventories are expected to increase in 2015 because of the growing number of beef cattle.

General Information:

Swine

Production

At the beginning of 2015 inventories of swine amounted to 349,000 head and are expected to decrease towards the end of the year and on into 2016. The outbreak of ASF in the wild boar population in June 2014 and domestic swine in June 2015, as well as outbreak of classical swine fever in the wild boar population in April 2015, resulted in restrictions on exports of live pigs and pork that adversely affected the Latvian swine industry. Latvia will participate in the EU's program of reduction of wild boar population within the Common ASF Strategy established by the EU for Baltics and Poland. Hunters will receive from the EU a payment of Euro 100 (U.S. \$106) per each female wild boar killed.

Consumption

Slaughter of swine in 2015 is expected to be 11 percent lower than a year ago because of lower inventories. It is expected that slaughter weight will increase in 2015 because of delays in procurement of in the areas affected by ASF and fluctuations of farm-gate prices for swine.

Trade

In 2014 Latvia exported 178,175 head of swine mainly to Lithuania and Poland. Reduction of swine inventories accompanied by ASF restrictions are expected to further limit exports of swine in 2015. Over 30 percent of total exports to Poland consisted of piglets while exports to Lithuania consisted mostly of slaughter hogs. Russia used to be the major market for exports of Latvian swine, however, increase of tariffs followed by introduction of import ban in 2014 reduced exports from 163,000 head in 2011 to zero in 2013. In the first 8 months of 2015 exports of swine were reduced by 6 percent in comparison to the same period of 2014. Latvian imports of swine in the first eight months of 2015 amounted to 4,427 head, almost a 90 percent reduction compared to the same period of 2014.

Pork

Production

It is estimated that pork output in 2015 will amount to 26,200 MT and will be percent 7 percent lower than in 2014. Reduced pork output will result from the reduced slaughter. In 2014 the share of pork in the total volume of meat accounted for 44 percent, as compared to 34 percent for poultry meat and 21 percent for beef.

Trade

Latvia is a net importer of pork. In 2014 imports of pork amounted to 30,852 MT. In the first eight months of 2015 imports of pork were 7 percent lower than in the same period of 2014 because of reduced shipments from Germany and Denmark. Major suppliers of pork are Poland and Estonia. In 2014 overall exports of pork amounted to 6,167 MT, a 24 percent drop compared to the previous year because of the Russian import ban.

Cattle

Production

In December 2014 cattle inventories amounted to 422,000 head and were four percent higher than a year ago. Inventories of cattle continued to grow mainly due to the growing popularity of beef cattle production. Growing interest in the development of beef cattle production stems from the difficult situation on the dairy market, so farmers look for alternative or additional source of income. In Latvia production of beef cattle is also perceived as pro-organic production which is in line with a general policy of the government.

Consumption

Slaughter of cattle in 2014 was 15 percent lower than a year ago because of growing inventories and higher exports of live cattle. It is expected that slaughter of cattle will increase in 2015 due to reduced exports.

Trade

In 2014 Latvia exported 40,852 head of cattle mainly to the Netherlands and Poland. Cattle exports were 32 percent higher than in the previous year. Farmers receive higher prices for cattle sold for export compared to prices offered by the domestic slaughter plants. It is expected that exports of cattle in 2015 will remain at the previous year's level because reduced shipments to the Netherlands will be offset by higher exports to Turkey and Poland. Imports of cattle are limited to breeding stock from the Netherlands and Poland.

Beef

Production

In 2014 beef production amounted to 17,000 MT. Production of beef is expected to increase in 2015 because of higher slaughter.

Trade

Latvia is a net exporter of beef. In 2014 exports of beef amounted to 9,681 MT and remained at almost the same level as in 2013. The Netherlands were the major importer. In the first 8 months of 2015 beef

exports increased by 17 percent mainly due to lower sales to the Netherlands. In 2014 Latvia imported 4,457 MT of beef mainly from Poland.

End of the report.